



33rd term (FY9/2024)

Financial Results Briefing for the First Half

CAREER DESIGN CENTER CO., LTD. (2410)

Thursday, May 9, 2024

1. Overview of Financial Results for the First Half (October 2023–March 2024)

2. 33rd-term Full-year Forecast (October 2023–September 2024)

1. Market Conditions

(1) 32nd term (FY9/2023)

Companies that refrained from hiring workers during the years of the COVID pandemic simultaneously resumed recruiting activities once the pandemic ended. This revitalized the whole market and the companies with job offerings secured the planned number of new recruits.

(2) 33rd term (FY9/2024)

Against this backdrop, many companies have currently paused recruiting while those still offering jobs have set higher criteria for recruiting. Consequently, the rate of job seekers with informal job offers tends to be lower.

2. First Half Results

(1) Results Forecast (announced on November 8, 2023)

For the first half of the 33rd term, we forecast that sales would increase and profit would decrease because of the decrease in the number of active dispatched staff members hired for the IT worker dispatch business on a fixed-term basis until the end of the previous term, and our expectations regarding advance investments such as expenditures for the indefinite-term employment of engineers, office extensions and other matters.

(2) Results

In the Media Information Business, the New Graduate Business and the IT Worker Dispatch Business, results were generally as expected despite changes in the market environment.

The rate of acceptance of informal job offers dropped in the Personnel Placement Business which typically involves high unit prices for recruitment. This slowed the increase of successful contracts.

As a consequence, we fell below the earnings forecast for the first half.

33rd-term First Half Financial Results

(Million yen)

	Forecast	Results	Results in the previous fiscal year	YoY
Net sales	8,825	8,746	8,534	102.5%
Operating profit	737	687	818	83.9%
Ordinary profit	730	688	811	84.9%
Profit	488	468	557	84.1%

33rd-term First Half Costs

(Million yen)

	Forecast	Results	Results in the previous fiscal year	YoY
Total expenses	8,095	8,058	7,723	104.3%
Personnel expenses	2,625	2,538	2,336	108.6%
Advertising expenses	1,215	1,204	1,101	109.3%
Dispatched worker salaries	2,848	2,915	2,970	98.2%
Other	1,407	1,401	1,316	106.4%

33rd-term First Half Overview by Business (Media business/registrations)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
Media Business	3,001 (108%)	350 (128%)	11.7%	<p>(1) Net sales in the Kansai area increased 22% YoY.</p> <p>(2) We reviewed processes for raising sales prices and developing new customers and sought to improve. Consequently, the number of clients and unit prices increased.</p> <p>(3) Job fairs and events satisfactorily drew visitors and achieved good sales.</p> <p>(4) Profit margins significantly improved because of efforts such as increasing the efficiency of attracting registered users and the improvement of discount rates.</p> <p>(5) The number of registered users and applications increased thanks to promotional activities featuring the Japanese comedy duo Audrey as the faces of the company.</p>

	Results	Results in the previous fiscal year	YoY
Engineers	951	898	105.9%
Sales	195	160	122.3%
type total	1,364	1,224	111.4%
Onna no Tenshoku type	1,542	1,465	105.3%
Fair Total	110	88	125.0%

33rd-term First Half Overview by Business (Media business/registrations)

type	New membership registrations	YoY change 104.3 %	New membership registrations increased as a result of focusing on our own channels to attract registrants rather than external channels.
	Number of applications	YoY change 129.9 %	The use of an email newsletter service and IT tools played a crucial role in driving a significant year-on-year increase in the number of applications received.
Onna no Tenshoku type	New membership registrations	YoY change 111.5%	New membership registrations increased due to investments in advertising expenses.
	Number of applications	YoY change 114.4%	Applications for engineering job offers increased significantly.

33rd-term First Half Overview by Business (Personnel Placement Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
General Field	1,441 (101%)	79 (71%)	5.5%	<p>(1) Following a rapid increase in demand for hiring in the previous term, the sales, retail, and service sectors experienced a period of stabilization.</p> <p>(2) The number of successful contracts has been decreasing as hiring criteria have become stricter and the rate of informal job offers dropped.</p> <p>(3) Meanwhile, we strengthened efforts to attract registered users and points of contact with job seekers (e.g. interviews). The number of registered users increased due to the strengthening of customer attraction through CDC's website, as well as friend referral initiatives.</p> <p>(4) A new organization with a commission system has been established to bolster efforts to develop new customers.</p>
Mid-Career Field	185 (104%)	44 (80%)	24.0%	<p>(1) Efforts to tap into job openings targeting high-class customers are strengthened and the number of successful contracts increased.</p> <p>(2) The number of registered users increased steadily and net sales rose because of efforts such as drawing customers via CDC's website.</p> <p>(3) Efforts were made to strengthen training programs and study groups with a view toward improving employees' capabilities.</p>
Personnel Placement Business	1,626 (101%)	124 (74%)	7.6%	

33rd-term First Half Overview by Business (New Graduate Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
New Graduate Recruitment Fair	421 (109%)	146 (91%)	34.8%	(1) Strengthen efforts to find job openings mainly in the IT industry, targeting students who will graduate from university in FY2025. (2) Seminars went well and seminar sales increased 9.1% YoY. (3) Implementing measures to increase student registrations led to an increase in the number of registered users. (4) Early events for internships for students who will graduate in FY2026 were held.
New Graduate Placement	77 (90%)	-45 (Results in the previous fiscal year -19)	—	(1) Students who will graduate in FY2024 or FY2025 started seeking jobs earlier than students who graduated in previous years. (2) The number of successful contracts with students who will graduate in FY2024 decreased. (3) The number of successful contracts with students who will graduate in FY2025 increased.
New Graduate Business	498 (106%)	101 (71%)	20.3%	

33rd-term First Half Overview by Business (New Graduate Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
Fixed-term Employment	3,605 (97%)	170 (74%)	4.7%	<p>(1) The number of active workers had been below the previous year since the end of the last term. We worked to strengthen our sales structure and tap into job openings. As a result, the number of active workers started to increase YoY in this quarter.</p> <p>(2) In advertising, we revised the efficiency of external channels for attracting customers, and strengthened channels for acquiring customers directly through CDC.</p>
Indefinite-term Employment	14 (—)	-57 (—)	—	<p>(1) We have been satisfactorily employing both new graduate and mid-career engineers. Ten new graduates joined CDC in April. Fifteen mid-career engineers joined CDC in the first half.</p> <p>(2) The engineers who have been hired are working at a pace that is beyond our initial expectations.</p>
IT Worker Dispatch Business	3,619 (97%)	113 (49%)	3.1%	

33rd-term First Half 【Reference】Trends in quarterly business results

		30th term				31st term				32nd term				33rd term	
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Media Business	Net sales	915	966	1000	1048	1,077	1,239	1,272	1,302	1,360	1,409	1,408	1,434	1,466	1,535
	Ordinary profit	42	10	▲33	8	101	80	30	▲34	149	123	62	64	200	150
Personnel Placement BusinessGeneral Field	Net sales	-	-	-	-	572	651	707	684	731	687	839	752	728	713
	Ordinary profit	-	-	-	-	15	51	66	▲19	79	33	169	55	53	26
Personnel Placement BusinessMid-career Field	Net sales	-	-	-	-	49	50	72	128	87	90	64	107	70	114
	Ordinary profit	-	-	-	-	11	10	23	62	29	25	2	30	0	44
New Graduate Recruitment Fair Business	Net sales	148	112	135	56	180	130	193	54	209	176	271	133	248	173
	Ordinary profit	62	41	43	▲21	88	46	76	-40	102	58	121	17	122	33
New Graduate Placement Business	Net sales	28	27	55	54	32	37	83	89	36	48	82	92	36	40
	Ordinary profit	▲11	▲13	12	9	▲9	▲6	36	23	▲14	▲4	22	27	▲20	▲24
IT Worker Dispatch BusinessFixed-term Employment	Net sales	1,298	1,368	1,416	1,488	1,634	1,649	1,780	1,830	1,860	1,837	1,864	1,803	1,841	1,764
	Ordinary profit	94	112	91	92	105	108	146	125	122	106	129	73	103	67
IT Worker Dispatch BusinessIndefinite-term Employment	Net sales	-	-	-	-	-	-	-	-	-	-	-	-	2	11
	Ordinary profit	-	-	-	-	-	-	-	-	-	-	▲1	▲9	▲29	▲27
Total	Net sales	2,792	2,989	3,145	3,164	3,547	3,759	4,110	4,090	4,284	4,249	4,530	4,323	4,393	4,353
	Ordinary profit	70	141	92	58	313	292	379	116	470	341	506	259	419	269

1. Overview of Financial Results for the First Half (October 2023–March 2024)

2. 33rd-term Full-year Forecast (October 2023–September 2024)

1. Market Conditions

Trends such as the trend of the recruitment criteria of companies with job offerings becoming more strict are expected to continue.

2. Full-year Earnings Forecast

We expect earnings to recover in the future due to the initiation of initiatives for increasing net sales in our different businesses since the second quarter.

For this reason, our full-year earnings forecast announced on November 8, 2023 remains unchanged.

3. Second Half Initiatives

(1) Media Business

Strengthen the development of new customers and continue to seek to increase selling prices.

(2) Personnel Placement Business

We are stepping up efforts to attract registrations for positions mainly including IT engineering positions, and are increasing the number of points of contact. We will carry out initiatives to increase yield in an effort to increase the number of successful contracts.

(3) New Graduate Business

Keep up the efforts to increase the number of events and successful contracts.

(4) IT Worker Dispatch Business

The number of active dispatched staff members decreased until the end of the previous fiscal year, but it has been increasing YoY since this quarter. We will continue to strengthen efforts to attract registered users for IT engineer positions, tap into job openings from our new customers and make more proposals regarding dispatched staff job openings.

(5) Costs

In all businesses, we are increasing our efforts to attract registered users, mainly for IT engineer positions. Meanwhile, we are strengthening efficient routes for the attraction of registered users such as our website and friend referrals.

Strengthening our in-house recruitment should increase personnel expenses. However, we will control other costs to improve profit margins.

33rd-term Full-year Results Forecast

(Million yen)

	Results Forecast	Results in the previous fiscal year YoY	YoY
Net sales	18,370	17,388	105.6%
Operating profit	1,764	1,585	111.3%
Ordinary profit	1,750	1,577	110.9%
Profit	1,203	1,163	103.4%

33rd-term Full-year Cost Forecast

(Million yen)

	Results Forecast	Results in the previous fiscal year YoY	YoY
Total expenses	16,620	15,811	105.1%
Personnel expenses	5,442	4,916	110.7%
Advertising expenses	2,380	2,258	105.4%
Dispatched worker salaries	5,872	5,900	99.5%
Other	2,926	2,737	106.9%

33rd-term Full-year Forecast by Business (Media Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
Media Business	6,200 (111%)	624 (156%)	10.1%

Overview
<p>(1) Continue working to raise selling prices by, for example, improving the selling price discount rates and raising the fixed prices of Onna no Tenshoku type.</p> <p>(2) Increase advertising and sales capabilities in pursuit of greater earnings in the Kansai area.</p> <p>(3) By updating our system infrastructure through the renewal of the type, we will reduce the future person hours necessary for various tasks and streamline operations while also facilitating the addition of new functions with greater speed.</p>

Increasing sales in the Kansai area and strengthening efforts to acquire new registered users



©Moomin Characters™

Direct type site registered users and site power enhancement



ITエンジニアのための
スカウト転職サービス

A scout-based job search service for IT engineers.

今すぐ試してみる(無料)



Progress of New Full Year Initiatives

New initiatives targeting new markets to seek the creation of a new revenue base.

■ Launch Direct type

We have been steadily attracting registered users for IT engineer positions, and the number of successful placements with client companies is increasing.

We will continue to implement measures to attract more registered users, while aiming to expand as a service to support the recruitment of IT engineers.

Number of hires via Dtype (quarterly trends)

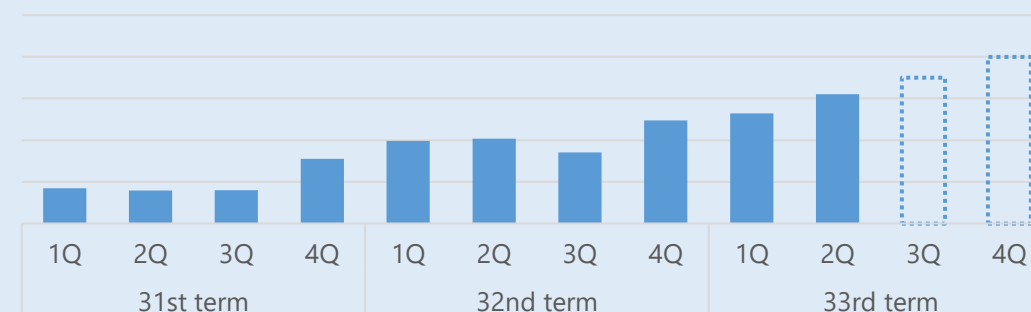


■ Sales expansion in the Kansai area

Net sales have been steadily increasing in proportion to the increase in recognition of us.

We will keep strengthening promotions to improve recognition and attract more registered users, with the aim to increase earnings even more.

Osaka Area sales trends



33rd-term Full-year Forecast by Business (Personnel Placement Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
General Field	3,350 (111%)	509 (151%)	15.2%	<ul style="list-style-type: none"> (1) Strengthen efforts to tap into new job openings in accordance with the changes in the recruitment needs of companies with job offerings. Increase successful contracts in this way. (2) Improve our website and friend referrals to increase registered users. (3) Increase the number of interfaces with the registered users we attracted, in an effort to increase successful contracts.
Mid-Career Field	415 (119%)	104 (118%)	25.2%	<ul style="list-style-type: none"> (1) Enhance the connection with personnel placement (general) to strengthen customer development, tap into job openings and attract job seekers for many different job types. (2) Bolster our organizational structure in pursuit of greater sales and more registrations. (3) Carry out initiatives to increase successful contracts with high-income customers.
Personnel Placement Business	3,765 (112%)	614 (144%)	16.3%	

33rd-term Full-year Forecast by Business (New Graduate Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
New Graduate Recruitment Fair	810 (104%)	319 (107%)	39.5%
New Graduate Placement	275 (109%)	16 (54%)	6.1%
New Graduate Business	1,085 (103%)	336 (102%)	31.0%

Overview
<ul style="list-style-type: none"> (1) Improve early events for internships for students who will graduate in 2026. (2) Seek to increase the number of clients by holding seminars that are each tailored to the needs of a specific company. (3) Try to increase routes for attracting registrations and draw more students.
<ul style="list-style-type: none"> (1) As students begin to look for jobs earlier, move up the start of interviews and seminars one month. Strive to get successful contracts early. (2) Strengthen the search for job openings and expand routes for attracting registrations to draw more students. (3) Set up a friend referral system to establish points of contact with students with a higher probability of successfully receiving a contract.

33rd-term Full-year Forecast by Business (IT Worker Dispatch Business)

(Million yen)

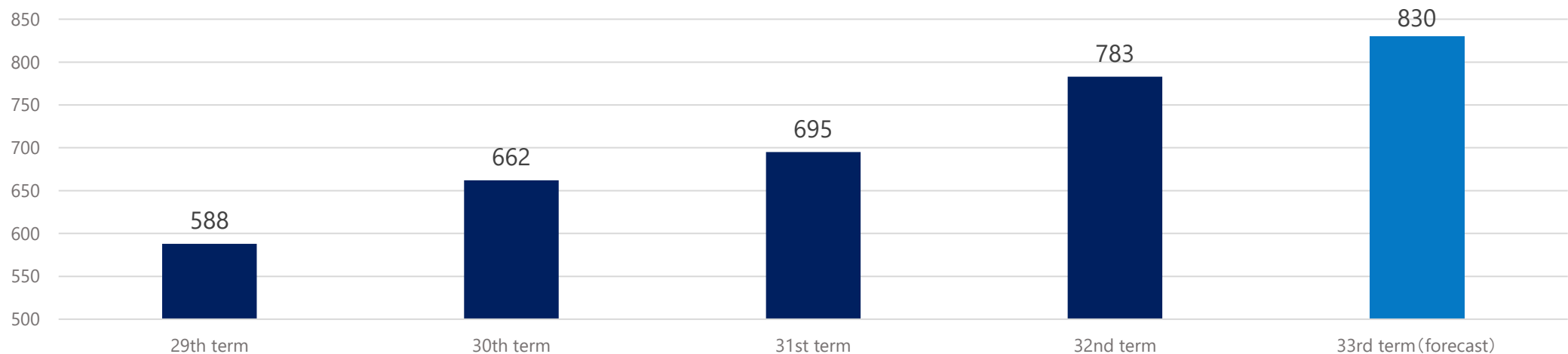
	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
Fixed-term Employment	7,270 (99%)	303 (72%)	4.1%
Indefinite-term Employment	50 (-)	-127 (-)	—
IT Worker Dispatch Business	7,320 (99%)	175 (42%)	2.4%

Overview
<p>(1) Strengthen the development of new clients with a focus on IT job openings. Secure a variety of job openings to get dispatched staff working more.</p> <p>(2) Aside from external media, we will also strengthen efforts to attract registered users via original routes such as our website.</p>
<p>(1) Keep recruiting dispatched staff.</p> <p>(2) Strengthen the efforts to tap into job openings with high unit prices and job openings that may lead to the candidates' improvements, with an aim to facilitate recruitment and keep the dispatched personnel working.</p>

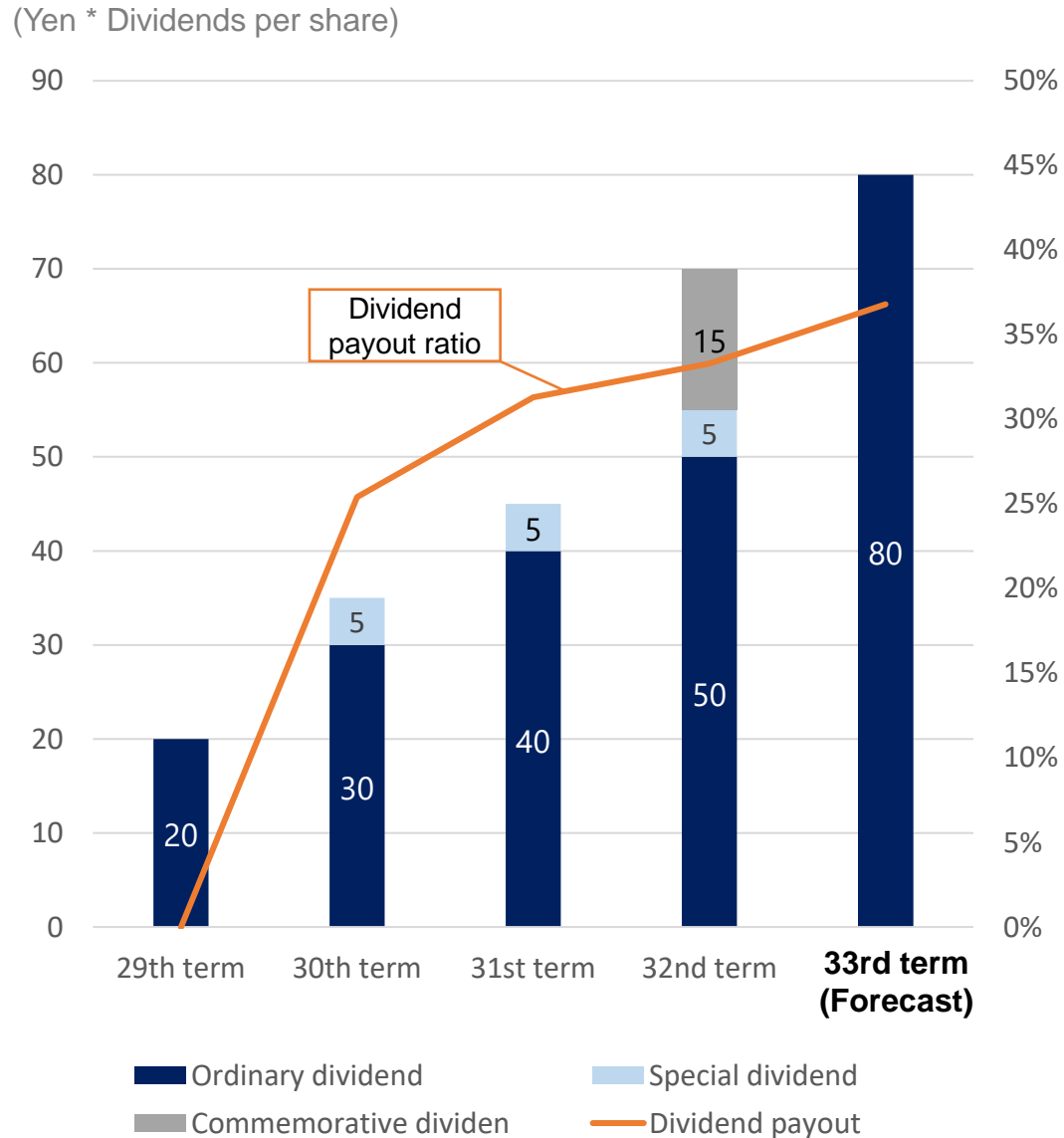
33rd-term Full-year Personnel Plan

New graduate recruitment	Approximately 100 people are expected to join in April 2024.
Mid-career recruitment	For the Full Year , we plan to slightly reduce the number of people to be recruited to improve productivity.

Changes in the number of employees — including casual workers



33rd-term Full-year Shareholder Returns



The dividend forecast announced in November 2023 remains unchanged.

CDC recognizes that returning profits to shareholders is an important management issue, and has adopted the basic policy of distributing profits based on operating results, while comprehensively taking into account the need to enhance retained earnings and the financial position of the company

Company name	CAREER DESIGN CENTER CO., LTD.
Establishment	July 8, 1993
Representative	Hiromi Tada, Chairman and CEO
Address	Akasaka Long Beach Building, 3-21-20, Akasaka, Minato-ku, Tokyo
Capital	558,660,000
Listing	Tokyo Stock Exchange Prime Market (stock code: 2410)

Sustainability Management Pursued by CDC

















We will provide working people with necessary assistance including career selection assistance to ensure that they lead prosperous lives, and, under proper corporate governance, we, as a company trusted by society, will create both social value and economic value through businesses, thereby seeking to contribute to a sustainable society and improve corporate value.

Corporate Philosophy

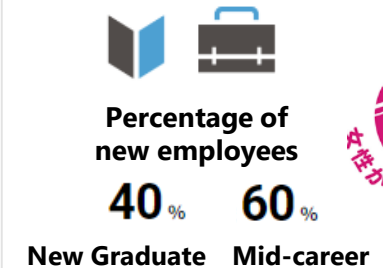
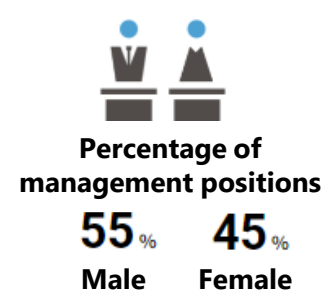
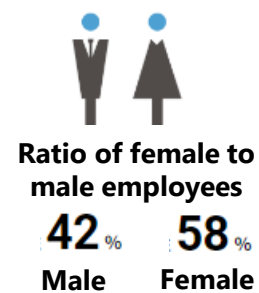
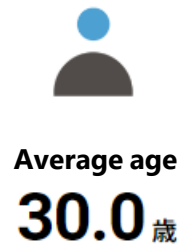


Vision **Creation of a "society in which working people have good jobs and lead good lives"**

Material issues

- 1 Respecting diversity and creating an environment that values engagement**
 - 
 - 
 - 
 - 
- 2 Energizing companies and facilitating economic growth**
 - 
 - 
- 3 Realizing diverse workstyles that match the sense of value and workstyle requests of each individual**
 - 
 - 
 - 
 - 
- 4 Strengthening corporate governance**
 - 
 - 
 - 
- 5 Providing job seekers with opportunities for career development while also working to improve their standard of living**
 - 
 - 
 - 

● Respecting diversity



● Environmental management



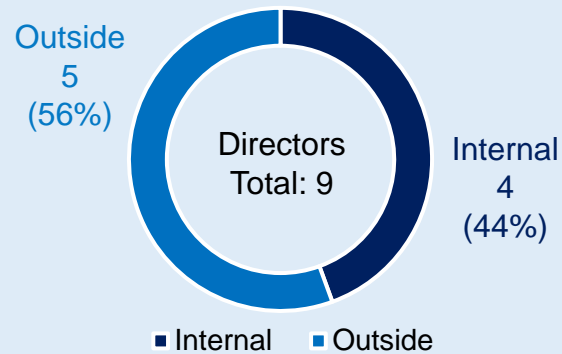
We believe that dialog with stakeholders, including shareholders and investors, is important for the Earth and the sustainable growth of companies. Therefore, we expressed our support for the Task Force on Climate-related Financial Disclosures (TCFD) in October 2023 while joining the TCFD Consortium at the same time.

Item	Separate item	2021.9	2022.9	2023.9
Greenhouse gas emissions (Unit: t-CO ₂)	Scope 1 (Utility gas consumption)	—	—	—
	Scope 2 (Power consumption)	326.6	334.9	290.7
Amount of paper actually consumed (Index with the amount used in the fiscal year ended September 30, 2020 set as 100)		45.1	40.5	34.8

Governance initiatives

Working appropriately and cooperatively with stakeholders is essential for achieving sustainable corporate growth and creating corporate value on a medium- to long-term basis. With this in mind, our basic policy on corporate governance is to respect each person's position, increase management transparency, expedite decision-making processes and strengthen supervisory functions while also maximizing corporate value with proper corporate governance.

Composition of the Board of Directors

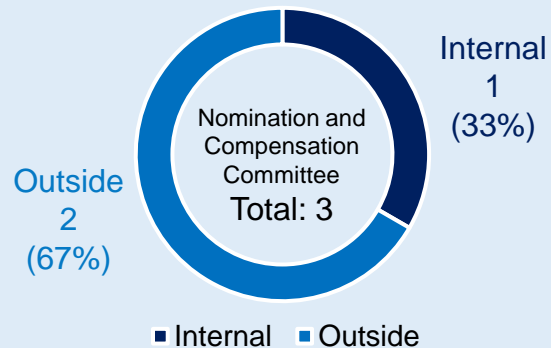


The Board of Directors comprises 9 members, specifically, four Internal Directors and five Outside Directors.

In addition, to increase management transparency and further expedite a decision-making process, we transitioned to being a company with an Audit and Supervisory Committee according to a resolution passed at the Annual General Meeting of Shareholders held on December 27, 2021.

The Audit and Supervisory Committee consists of three Directors (one full-time Audit and Supervisory Committee Member and two Outside Directors who are Audit and Supervisory Committee Members).

Composition of the Nomination and Compensation Committee



The Company has a Nomination and Compensation Committee, which is a non-statutory advisory committee chaired by an independent Outside Director and composed of one Internal Director (Chairman and President and Representative Director) and two Outside Directors.

Two committee meetings were held in the fiscal year ended September 30, 2023.

Disclaimer

The industry trends, analyses, future outlook, strategies and other information presented today are determinations made by Company management based on currently available information, but various factors may cause significant changes to the environment surrounding business in the future. Therefore, please note that future strategies and business performance may vary significantly from the information presented today.